City of Palm Coast
Minutes
City Council Workshop

City Hall
160 Lake Avenue
Palm Coast, FL 32164
www.palmcoastgov.com

Mayor Michael Norris
Vice Mayor Theresa Pontieri
Council Member Charles Gambaro
Council Member Ty Miller
Council Member Ray Stevens

Tuesday, February 11, 2025	**6:00 PM**	**City Hall - Community Wing**

City Staff
Lauren Johnston, Acting City Manager
Marcus Duffy, City Attorney
Kaley Cook, City Clerk

- Public Participation shall be in accordance with Section 286.0114 Florida Statutes.
- Other matters of concern may be discussed as determined by City Council.
- If you wish to obtain more information regarding the City Council's agenda, please contact the City Clerk's Office at 386-986-3713.
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- City Council Meetings are streamed live on YouTube at https://www.youtube.com/@PalmCoastFL.
- It is proper meeting etiquette to silence all electronic devices, including cell phones while Council is in session.
- Any person who decides to appeal any decision of the City Council with respect to any matter considered at this meeting will need a record of the proceedings, and for such purpose, may need to hire a court reporter to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

A CALL TO ORDER

Mayor Norris called the meeting to order at 6:00 p.m.

B PLEDGE OF ALLEGIANCE TO THE FLAG AND A MOMENT OF SILENCE

C ROLL CALL

City Clerk Kaley Cook called the roll. Council Member Gambaro and Council Member Stevens were absent.

D PUBLIC PARTICIPATION

Public Participation shall be held in accordance with Section 286.0114 Florida Statutes. And pursuant to the City Council's Meeting Policies and Procedures:

(1) This agenda item has a thirty (30) minute limit.
(2) Each speaker shall at the podium, provide their name and may speak for up to 3 minutes.
(3) The Public may provide comments to the City Council relative to matters not on the agenda at the times indicated in this Agenda. Following any comments from the public, there may be discussion by the City Council.
(4) Public speakers may address their comments to the Council as a whole, the Mayor, or to an individual Council Member
(5) When addressing the City Council on specific, enumerated Agenda items, speakers shall:
(a) make their comments concise and to the point;
(b) not speak more than once on the same subject;
(c) not, by speech or otherwise, delay or interrupt the proceedings or the peace of the City Council;
(d) obey the orders of the Mayor or the City Council; and
(e) not make any irrelevant, impertinent or slanderous comments while addressing the City Council; which pursuant to Council rules, shall be considered disorderly.
(6) Any person who becomes disorderly or who fails to confine his or her comments to the identified subject or business, shall be cautioned by the Mayor and thereafter must conclude his or her remarks on the subject within the remaining designated time limit.

Any speaker failing to comply, as cautioned, shall be barred from making any additional comments during the meeting and may be removed, as necessary, for the remainder of the meeting.

Members of the public may make comments during the public comment portion of the meeting. Please be advised that public comment will only be permitted during the public comment portions of the agenda at the times indicated by the Chair during the meeting.

Public participation opened at 6:01 p.m.

Paulette Hatfield thanked Council for the speed humps on Florida Park Drive, recommended an additional speed hump on Fleetwood Drive, and thanked Council for their efforts.

Mike Cocchiola discussed costs, having to catch up because of development, finding the money to catch up, the need to control development, and thinking about residents on a fixed income.

Anna Gibson shared thoughts on the Palm Coast Aquatics Center, inconsistencies in pricing, and offered suggestions.

Mark Webb discussed the 30-minute public comment limit, statute language regarding public comment, and recommended that Council hold their discussion prior to the final public comment.

Public Comment closed at 6:10 p.m.

Ms. Johnston thanked Ms. Hatfield for the comments on traffic calming and shared about an open survey on the City's website related to traffic calming, and *replied to Ms. Gibson that staff will look at cost-benefit analysis for the aquatic center rates.*

E PRESENTATIONS

1 PRESENTATION - GAP ANALYSIS RECOMMENDATIONS FOR UTILITY RATE INCREASES AND ADJUSTMENTS

Ms. Johnston provided a background of the item.

Carl Cote, Director of Stormwater & Engineering, and Murray Hamilton, Vice President with Raftelis, presented the topic to Council.

Topics presented included: Utility overview, background, infrastructure, prior development and usage, budget, impact fees, charges for services, proposed fee updates, rates, the utility bill, critical projects, rate consultant, current operating conditions, study tasks, revenues, cost of operations and maintenance, proposed funding program, utility bond credit ratings, financing scenarios, adequacy of proposed rates, residential rate comparisons, observations, conclusions, and next steps.

City Council held a lengthy discussion on the following topics: purchase price of the utility in 1999 by Florida Water Services, revenue lost from residents moving without making payment, previous methodology for charges, the recommendations presented last year, funding staff and positions, projects that will meet the action plan priorities for the DEP agreement, potential cost savings for working on multiple projects at the same time, how the construction figures were determined, impacts of not meeting the consent decree, understanding that the bill is for additional utilities not just water, garbage cost increases, clarifying the delineation of services for residents, potential of regulating irrigation, items covered within the manhole rehabilitation project, flow of funds analysis, utilizing all of the impact fees available, ability to pay back loans with impact fees that are received, projection for when the expansions will be needed, current permitted projects and plan capacity, impact fee studies through the last few years, statutes related to extenuating circumstances to allow for an increase in impact fees, practices for adopting index increases, inability of the current CPI to cover expenses, maintenance costs, critical projects, scenarios for funding only a selection of the critical projects, potential future bond adjustments, price increases over the years, potential to approve 1 bond and reviewing the item again in the future.

Mr. Cote, Ms. Johnston, and Mr. Hamilton responded to Council comments and questions.

Public Comment:
Maggie Fisher discussed the list of critical projects identified by staff and the need to evaluate what is nice to do versus what we need to do, did not support an increase, shared that the proposals only increase the fees for taxes, shared a need for a grant writer, and wanted to know if the State of Florida has funds available.

Mayor Norris highlighted the legislative funding requests.

Anna Gibson discussed the need for a line item on pep tanks, discussed irrigation costs, budget reallocations for the critical projects, extenuating circumstances, other Cities' fees and services, spillovers in the community and notifications, and recommended auto-meters for pep tanks.

Michael Flanagan thanked everyone for the hard work and difficult questions asked, shared about his positive experience in the Citizens Academy, asked about the timeline, the cost versus the value, encouraged working with the neighborhoods and HOAs on irrigation use, encouraged seeking volunteers from the community for assistance needed, and encouraged communication platforms for increased public awareness.

Dennis McDonald shared the reasons that residents voted for the Council Members, encouraged developers putting in their own utilities, wanted the City to get out of the utility construction business, provided recommendations, believed pep tanks should be special services for only the pep tank areas, and discussed charges for water and irrigation.

Mark Webb wanted to speak for residents not in attendance to clarify the difference between the bonds discussed during the presentation and the prior charter referendum item related to bonds, asked if the presentation will be available on the City's website, discussed the 80% capacity limit and triggering consent decree issues, and shared the 2003 utility purchase price.

Nina (last name not picked up on recording) shared that she is on a fixed budget, discussed increases to the bills, asked if the taxes as they are already can absorb some of the increases, discussed inexcusable bill prices, encouraged limiting the number of development permits, and asked when the rate increases will begin.

Mayor Norris replied that if the Ordinance is adopted as currently proposed and scheduled, the effective date would take place in April. Additionally, Mayor Norris asked staff to review the resident's bill.

Jeff James thanked Council for limiting the developer who wanted to double the amount of homes, stated that growth in Flagler County is going to happen and that residents do not want stinky neighborhoods, discussed the utility bill costs and increases, and encouraged the use of septic tanks.

Ed Fuller thanked City Council for their leadership, discussed the consent order, encouraged including the aspect of public safety in these presentations, discussed the safety of water and wastewater as a nonnegotiable item, shared about the transparency of capital funds, and discussed bond ratings.

Tony Amaral discussed constantly kicking the can down the road, utility budget surplus dollars over the prior years, impact fees, funding sources, and encouraged tackling these items now rather than continuing to kick the can down the road.

Mayor Norris shared that we are required to service housing units within our boundaries.

City Council continued discussion on the following topics: total project costs, selecting projects from the list, encouragement to find other funding opportunities, common theme over the years of waiting, moving forward as proposed and adjusting if the City does receive appropriations, and direction to move forward with Option 3 as presented.

City Council took a break at 9:09 p.m. and reconvened at 9:18 p.m.

2 PRESENTATION - RFP FOR AN ENTITY WIDE RISK ASSESSMENT

Helena Alves, Director of Financial Services, presented the topic to City Council.

Topics presented included: the request, definition of an entity wide risk assessment, purpose and outcome, scope of services, next steps, and timeline.

Ms. Johnston provided a background and additional details.

City Council held discussion on the following topics: cost estimates, the item as informational in nature, an efficiency assessment, scope of services to include opportunities for operational efficiencies, risk assessment professionals on staff, and potential risk assessment team comprised of residents.

Public Comment:
There were none.

F PUBLIC PARTICIPATION

Remainder of Public Comments is limited to three (3) minutes each.

Ed Fuller thanked the Council for taking on the issues, for fixing the issues as leaders do, commended staff for the traffic counter on Florida Park Drive, compliment the Utility Department, and shared about upcoming Connecting Palm Coast event to be held on May 7, 2025.

Tony Amaral applauded the Council for the assessment, discussed system and process issues, and encouraged a system and process analysis.

G DISCUSSION BY CITY COUNCIL OF MATTERS NOT ON THE AGENDA

Council Member Miller responded to public comment throughout the meeting regarding rain meters for sprinklers, fees charged in other cities, notifications for sewer spillovers, pep tank areas, historians of Palm Coast, attendance at joint cities/county meetings and topics discussed, and well wishes and prayers for Council Member Stevens.

Vice Mayor Pontieri shared about a recent Flagler County Board of County Commissioners workshop and topics of discussions that effect Palm Coast to *include the preservation of Old Brick Road and an airport ordinance. Vice Mayor Pontieri requested a breakdown of how this will affect our residents around the airport, sought addresses within the overlays, and to receive education quickly to prepare for the county ordinance readings.*

Mr. DeLorenzo, Chief of Staff, shared about staff meetings with the County that have occurred and that will continue on the preservation of Old Brick Road.

Attorney Duffy shared about meetings that are scheduled related to the airport ordinance.

Ms. Johnston sought clear direction for staff on the items discussed.

Mayor Norris replied that the Council would like a briefing from the County Administrator on the airport ordinance and the effects to Palm Coast.

Vice Mayor Pontieri included the request to know the exposure to the City from the overlay.

Discussion was held on a scheduled presentation from the County at the February 25 workshop meeting, and the possibility of including the requested items on that date. City Council concurred.

City Council asked for an analysis on the airport from City Attorney Duffy prior to the February 25 workshop.

Mayor Norris discussed Ralph Carter Park and sought consensus to provide a letter to Mrs. Petruzzi regarding the park. Council provided consensus to send the letter.

H DISCUSSION BY CITY ATTORNEY OF MATTERS NOT ON THE AGENDA

I DISCUSSION BY CITY MANAGER OF MATTERS NOT ON THE AGENDA

Ms. Johnston replied to public comment to agree that the utility bonds discussed today are different than the charter amendment which did not pass in the prior election, shared that developments such as a Community Development District do install their own utilities, shared that staff will work hard on providing the public with education related to utilities, discussed the balance of managing growth, and shared environmental concerns for septic tanks as recommended by a public speaker.

Mr. DeLorenzo and Ms. Johnston shared feedback received on the adopted legislative priorities list and sought direction on proposed changes to the ranking of the priorities.

Mr. DeLorenzo shared comments on the legislature, reductions in funding, and the legislative process.

City Council agreed with prioritizing Wastewater Collection System Equalization Tank, Seminole Woods Dry Lake Weir Lowering Design and Permitting, and the Woodlands Community Stormwater Capacity Project Design and Permitting for direct appropriations.

J ADJOURNMENT

The meeting was adjourned at 10:06 p.m.

Respectfully submitted by: Kaley Cook, CMC, FCRM
City Clerk